SASKATCHEWAN GAMING CORPORATION

ANNUAL REPORT
2002 / 2003

OPERATING AS

CASINOS

Regina & Moose Jaw

Casino Regina Casino Moose Jaw

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CORPORATE OVERVIEW

Saskatchewan Gaming Corporation (SGC) is a Treasury Board Crown Corporation established by the Saskatchewan Gaming Corporation Act, 1994. It was created to operate casino gaming in partnership with the Federation of Saskatchewan Indian Nations (FSIN) under a historic agreement that provides for joint management and revenue sharing.

The corporation is responsible to the Saskatchewan government through a Board of Directors appointed by Cabinet. Three members of the corporation's Board of Directors are nominated by the Chiefs' Legislative Assembly of the Federation of Saskatchewan Indian Nations.

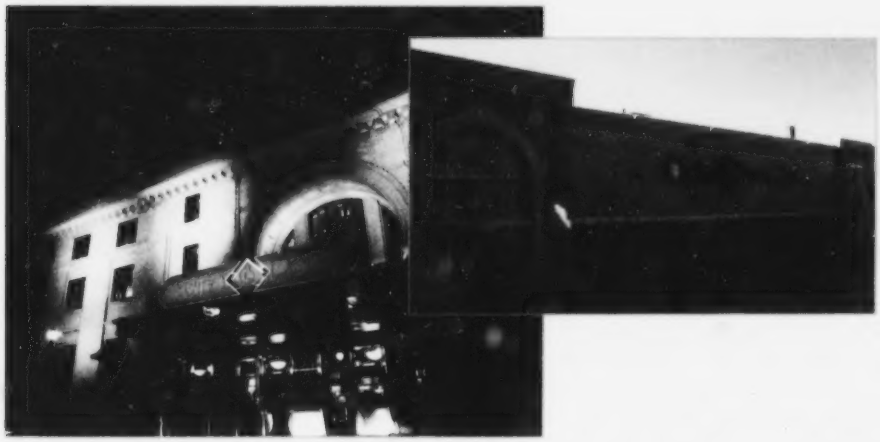
The corporation operates Casinos Regina and Moose Jaw under the regulatory authority and supervision of the distinct and separately constituted Saskatchewan Liquor and Gaming Authority (SLGA).

Twenty-five per cent of SGC's profit is distributed to non-profit, community organizations through the Community Initiatives Fund, 25% goes to our partners (Federation of Saskatchewan Indian Nations) to fund initiatives in First Nations communities, and 50% is distributed to important provincial programs through the province's General Revenue Fund.

Casino Regina opened to the public on January 26, 1996. It is a full-service entertainment facility that employs close to 700 people. Casino Moose Jaw, which is connected via a SkyWalk to Temple Gardens Mineral Spa in Moose Jaw's historic downtown, was opened on September 6, 2002. Casino Moose Jaw employs about 100 people, making it one of Moose Jaw's ten largest employers.

Casino Regina has 670 slot machines and 33 table games. Casino Moose Jaw has 200 slot machines and 7 table games. Both operations are open seven days a week.

For more information about Casino Regina, check out www.casinoregina.com. Casino Moose Jaw's website is www.casinomoosejaw.com.



MANDATE, MISSION, VISION AND VALUES

•Mandate

To offer casino entertainment – generating quality employment, economic benefits for the community; and profit for Saskatchewan people, in partnership with First Nations.

•Mission

To provide outstanding entertainment in a fun, friendly and exciting atmosphere.

•Vision

To be a leading full-service casino operator, committed to excellence, with a strong, proud, diverse team.

•Values

Our Guests
We believe that the continued success of Casinos Regina and Moose Jaw will depend on providing excellent customer service and consistently offering fun, friendly and exciting entertainment in first-class facilities in a socially responsible and safe manner.

Our Staff
We believe that the key to providing excellent customer service is having friendly, motivated employees who take pride in their workplace and their jobs. To accomplish this goal we provide meaningful jobs with competitive wages and benefits, training and opportunities for career advancement. We encourage innovation, open communication and teamwork.

Our Partnership
We are proud of our historic partnership agreement with the Federation of Saskatchewan Indian Nations. We respect cultural and individual diversity and are proud to have one of the most culturally diverse workplaces in the province. We are committed to providing a safe, positive workplace where patrons and staff are treated with dignity and respect. Fundamental to that commitment is a policy of zero tolerance of harassment.

Our Integrity
We will continue to work to steadily improve our profitability in a socially responsible manner with full public accountability and the highest level of gaming integrity possible.

Our Community
We are proud that all of our profits are invested in Saskatchewan communities. We take pride in being a good corporate citizen and working with local business and tourism partners to provide indirect and direct economic spin-offs and to improve the quality of life in our community.

MINISTER'S LETTER OF TRANSMITTAL

To Her Honour
The Honourable Lynda Haverstock
Lieutenant Governor of Saskatchewan

Your Honour:

I am pleased to submit the annual report of the Saskatchewan Gaming Corporation for the period ending March 31, 2003. This report includes the financial statements in the form required by Treasury Board and in accordance with the Saskatchewan Gaming Corporation Act, 1994.

For the fiscal year 2002-2003, the corporation earned a net profit of $32 million for the people of Saskatchewan. Our government is proud that all of the profits generated by Casinos Regina and Moose Jaw stay in the province and benefit Saskatchewan residents.

As a Member of the Legislative Assembly for Moose Jaw, it was with a great deal of enthusiasm that I attended the opening of the corporation's second casino property in my home town. Over 2,000 Moose Jaw residents and visitors filled the streets and attended the opening ceremonies of Casino Moose Jaw on September 6, 2002. Casino Moose Jaw is drawing more tourists to an already impressive list of attractions and businesses in the city.

While I am pleased that the corporation's profit level continues to increase and the government can turn over the funds from Casinos Regina and Moose Jaw to important community initiatives, I am even more impressed at the corporation's commitment to their staff and to the communities in which they live. The organization has also set the bar high when it comes to nurturing a diverse workplace of well-trained and committed employees. They operate culturally diverse workplaces, with over 50% of their employees being First Nations and Metis. The turnover rate of less than 15% is an industry record, demonstrating that Casinos Regina and Moose Jaw are workplaces of choice.

Casinos Regina and Moose Jaw also set fine examples to other organizations through their volunteer participation and community support.

In closing, I would like to extend my congratulations to the Board of Directors, management and staff on another successful year. Keep up the good work.

Respectfully submitted,

Glenn Hagel
Minister Responsible for the Saskatchewan Gaming Corporation

CHAIR OF THE BOARD'S MESSAGE

Regina, Saskatchewan

The Honourable Glenn Hagel
Minister Responsible for Saskatchewan Gaming Corporation

Mister Minister:

On behalf of the Board of Directors, I am pleased to submit the 2002-2003 annual report of the Saskatchewan Gaming Corporation for the period ending March 31, 2003.

Even during an extremely busy year that saw the successful opening of a new casino property in Moose Jaw, the corporation ensured that it did not lose sight of the importance of long-term strategic planning, analyzing financial results and trends and accurately forecasting and reacting to changes.

Other casino operators across Canada have expressed interest in our business model, which proved to be a very useful tool in the development of the business plan for Casino Moose Jaw. Multi-year capital replacement and cash management plans were also developed during the year under review.

Staff and management at the corporation should be particularly proud of the planning and preparation that was put into the opening and operation of Casino Moose Jaw. There was a very smooth transition and very few "growing pains" because the corporation ensured that staff at the new facility were trained to the same high standards as their counterparts at Casino Regina and had access to established and tested operating manuals, policies and procedures. This is no small accomplishment and is one the whole organization should be very proud of.

I would like to thank President/CEO Joe van Koeverden, the Executive Team, and the staff for their continued commitment and dedication to the corporation. Each year the corporation continues to set higher standards for customer service, commitment to staff and the community, so it is with pride that I serve as Board Chair.

On behalf of the Board and the corporation, I would like to thank former Board members Ron Crowe and John Lipp for their contributions to the corporation over the past years. I would also like to extend my thanks to Del Anaquod, Larry Deters, Ronald Martin and Sandra Boughen who all joined our Board during the year under review and have provided excellent guidance to Casinos Regina and Moose Jaw.

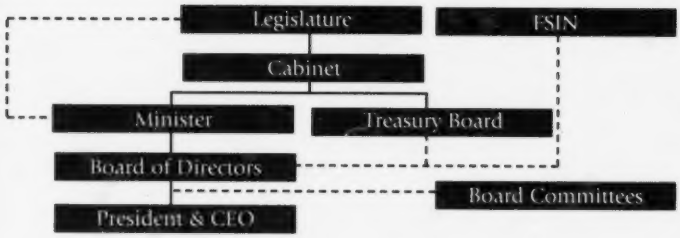
Respectfully submitted,

Thomas J. Waller, Chair of the Board
Saskatchewan Gaming Corporation

BOARD OF DIRECTORS

From left to right:
Larry Spannier, Larry Deters, Sandy Boughen,
Tom Waller, Ron Martin, Eddie Head

Governance Structure

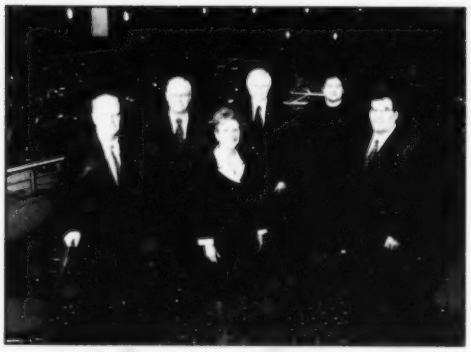


The Saskatchewan Gaming Corporation Act, 1994 provides, in part, as follows:

6 (1) The corporation shall consist of seven persons appointed by the Lieutenant Governor in Council.

(2) The Lieutenant Governor in Council shall appoint as members;
(a) three persons nominated by the Chief's Legislative Assembly of the Federation of Saskatchewan Indian Nations, and
(b) four other persons.

BOARD OF DIRECTORS



From left to right:
Larry Spannier, Larry Deters, Sandy Boughen,
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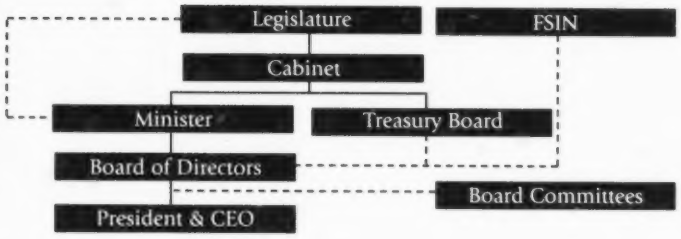
Governance Structure



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PRESIDENT'S REPORT

With another successful year behind us, it is with pride that I reflect on our accomplishments.

One of our most significant accomplishments this year was, of course, the grand opening of Casino Moose Jaw on September 6, 2002. Accomplishing a project of this magnitude with the degree of success that we did was only possible because employees pulled together as a team and worked towards common goals.

Casino Moose Jaw employs 100 people, making it one of the city's top ten employers, with an annual payroll of about $4 million. We are pleased to be a key player in this progressive community's plan to increase tourism in their downtown core.

We are working hard with Tourism Regina and Moose Jaw, as well as business and municipal leaders, to position Regina and Moose Jaw as a tourism corridor. It is with enthusiasm that we are positioning our two communities and casinos as top tourism destinations. To borrow a phrase from Premier Calvert, the tourism potential for southern Saskatchewan is wide open. By working with our partners, our goal is to make the communities of Regina and Moose Jaw drive-to areas and on the must-see list for national and international tour companies.

Customer service remains a priority for our organization and this year we received two certificates from the Saskatchewan Education Tourism Council for our outstanding achievement towards certifying our employees through the Saskatchewan Best Program and the National Occupational Certification program. In the new fiscal year we will unveil a new Customer Service Program that will build even further on the stellar reputation we have developed in this area.

We look forward to another exciting year in which we will continue to develop our reputation as an outstanding tourism destination.

Joe van Koeverden
President and CEO

Casino Moose Jaw

Casino Moose Jaw opened its doors to the public on time and within budget on September 6, 2002. The new facility is connected to the recently expanded Temple Gardens Mineral Spa and acts as the anchor tourism attraction for a number of other exciting projects the community of Moose Jaw is undertaking, including a new Arts and Cultural Centre.

Total capital investment for Casino Moose Jaw is $12.5 million, including building costs of $8.5 million and equipment costs of $4 million. In 2002-2003, Casino Moose Jaw will generate approximately $10 million in gross revenue in its first 7 months of operation, consistent with the original business plan for the development. Casino Moose Jaw employs about 100 people, making it one of the city's ten largest employers. For its efforts in drawing a large number of tourists to the city since its opening, Casino Moose Jaw was awarded the Rookie of the Year award at the 2002 Saskatchewan Tourism Awards of Excellence. The casino averages 1,200 visitors per day and will bring an additional 150,000 people annually to the City of Moose Jaw.

The 12,000 square foot casino has 200 slot machines of numerous types – in penny, nickel, quarter and dollar denominations – and exciting games of chance as well, including Roulette, Blackjack and Bonus Let It Ride. A licensed bar and lounge offers sandwiches and other light snacks and drinks throughout the day. Casino Moose Jaw is leasing a 140-stall parkade that is attached to the casino property. After the lease period of 25 years the corporation has the option to purchase the casino building, parkade and associated land for one dollar.

An inside view of Moose Jaw's latest attraction.

NEW DEVELOPMENTS

The casino celebrates Moose Jaw's colourful history with an art-deco look inspired by "The Roaring Twenties" – the perfect complement to Moose Jaw's growing historical tourism theme. Even the walls tell a story. Casino Moose Jaw has twenty indoor and outdoor murals, each chronicling a moment in Moose Jaw's rich heritage.

Casino Moose Jaw and Casino Regina are run as one corporation, governed by the same corporate Mandate, Mission, Values and Strategic Directions, both with the same operating policies and procedures and regulations by the Saskatchewan Liquor and Gaming Authority (SLGA).

Double Diamond Customer Service Program

A Project Manager was hired in September to develop a new customer service program. This program will provide employees with measurable customer service standards and benchmarked expectations for service delivery. The five-point checklist is based on the S.H.I.N.E. philosophy, which provides standard benchmarks for staff at all levels of the corporation to follow for every interaction with guests and fellow employees:

Smile and greet.

Hear and listen.

Identify needs.

Now ask, ask, ask.

Express appreciation.

DOUBLE DIAMOND SERVICE

Training modules have been written and a distinct Double Diamond logo and branding strategy have been developed. The program will be implemented early in the 2003-2004 fiscal year.

STRATEGIC DIRECTIONS

The management team and staff at Casinos Regina and Moose Jaw are proud of achievements that have been made in meeting our strategic directions and objectives.

During the year under review we continued to refine and develop our multi-year strategic plan. All departments and levels of the corporation participated in the planning process and contributed to the overall success of the organization.

Four strategic directions helped the organization reinforce that our continued success depends first, on our customers, and second, on our employees. Our plan also recognized that long-term success depends on public acceptance and financial accountability.

The corporation's 2002-2003 annual report is organized on the basis of the four strategic directions and the objectives, measurable goals, and key activities which flow from them.

A. Outstanding Entertainment Value, Customer Service and Guest Relations
B. Motivated, Representative, Stable and Highly Trained Employees
C. Public Acceptance, Corporate Image, and Responsible Partnership Relations
D. Financial Performance and Accountability

Back Row (left to right):
Doug Casper, Executive Director of Security;
Joe van Koeverden, President & CEO;
Max Dressler, V.P. of Gaming Operations;
Gerry Fischer, V.P. of Marketing & Casino Services;
Bill Davies, Director of Executive Services

Front Row:
Twyla Meredith, V.P. of Finance and Administration;
Elma Shoulak, V.P. of Human Resources

STRATEGIC DIRECTIONS

A Outstanding Entertainment Value, Customer Service and Guest Relations

To deliver outstanding entertainment value and customer service, where our guests see that we have gone beyond their expectations to create a welcome, fun and exciting atmosphere and entertainment experience.

In support of this strategic direction, four specific goals were established.

Goal #1: To achieve a consistent and high level of customer service and entertainment value of "4.5".

We are pleased that we rated 4.5 on our 5-point scale of 1 (poor) and 5 (excellent). We were able to achieve this high score by implementing the following three key activities:

Customer Service Training

Customer service has always been a major priority for the corporation. We have been recognized as a leader in the tourism industry for the training we provide our employees and for our commitment to customer satisfaction. In 2002-2003, SGC began a process to set the bar even higher in this area and to demonstrate the best practices in the field. A new Customer Service Program will be unveiled to employees early in the next fiscal year. The training modules have been written and an implementation strategy is currently being developed. The new program will assist managers in performance management by providing measurable benchmarks and standards of service delivery.

Operating Manuals

The corporation developed a comprehensive set of operating manuals to document all key work activities and processes in the organization. The manuals highlight points of contact with customers and opportunities to excel in service situations.

These "living documents" ensured the organization had a very smooth operating transition when the doors to Casino Moose Jaw opened in September 2002. Having clearly documented processes ensures that the highest of customer service standards are met in both casino properties.

Mystery Shoppers

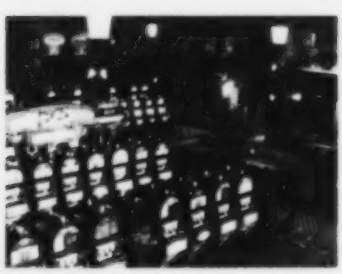
In order to evaluate our progress in standardizing and maintaining customer service levels, we continued our Mystery Shopper Program in 2002-2003. Department managers, in conjunction with staff, developed guidelines for all positions on appearance, initial contact, interaction, knowledge, ownership and accountability.

Trained representatives from an outside agency regularly visited the casinos as ordinary customers to provide feedback on how well we were doing in meeting our service standards. Mystery Shoppers participated in all of the activities and attractions that our guests take part in and provided recommendations on areas where we could improve our service.

Our new Customer Service Program will help to refine this evaluation tool by providing Mystery Shoppers with measurable standards by which to judge service delivery.

Goal #2: To increase the Average Daily Attendance as per the multi-year plan projections.

Door counts at Casino Regina now average over 5,000 per day; an increase of ten per cent from the previous year. Guest visits to Casino Moose Jaw have surpassed expectations, with an average of over 1,200 patrons entering the doors of our new facility each day.



Casino Moose Jaw welcomes over 1,200 visitors each day

STRATEGIC DIRECTIONS

A. Outstanding entertainment value, customer service and guest relations

The following four key activities have been identified to meet our daily attendance objectives:

Marketing

Our award-winning marketing campaigns and promotional strategies, which combine advertising promotions, sponsorship and bonus prizes continue to attract more customers to our casinos.

In September, as part of our promotion for the grand opening of Casino Moose Jaw, we offered Regina guests the opportunity to win 510 trips for two to the Temple Gardens Mineral Spa. Our first Mystery Jackpot in Moose Jaw ran in February 2003. There were 52 instant winners of $100 and a chance to win the grand prize of $1,000 per week for a whole year.

Casino Regina continued to work with local tourism partners on our popular Stay and Play promotion. The advertising campaign, directed at the southern Alberta and Saskatchewan market, offered affordable accommodation in Regina, two for one tickets to the Show Lounge, as well as activity packages for other local attractions. Our tourism partners are extremely pleased with the success of this program. Close to 6,000 Stay and Play packages were sold during the fall and spring runs of this campaign. Casino Moose Jaw is currently offering a similar type of program for the community of Moose Jaw.

Player Relations

In 2002-2003 the corporation continued to refine our player relations program. We took what we learned from our highly successful Players Club Program at Casino Regina and introduced a similar program at Casino Moose Jaw. Casino Moose Jaw patrons receive the same great benefits of joining our Players Club Program as Casino Regina guests, including free parking from our Points Earned Rewards Kiosk (P.E.R.K.) and regular discounts on gift merchandise and food and beverage services.

A new initiative that proved very popular with guests, was access to a free flu shot clinic. Members also had the opportunity to attend private functions with Canadian polka legend, Walter Ostanek, a matinee performance with Elvis tribute artist, Rory Allen and numerous other players-only events.

As of March 2003, membership in the Players Club Program at Casino Regina was 80,597, up from 65,000 last year. More than 8,000 members have signed up for the new Casino Moose Jaw program since September.

Part of the awareness campaign promoting Casino Regina's Show Lounge.

Advertising

We spent considerable effort promoting Casino Moose Jaw, prior to and including the grand opening on September 6, 2002. An original song was written and composed specifically for Casino Moose Jaw's "The Twenties Will Roar Again" campaign.

We also launched our "Two of a Kind" campaign in February 2003, which brands Casino Regina and Casino Moose Jaw as part of the southwest Saskatchewan tourism corridor. We are proud that this campaign featured all local talent and was produced on Regina's new sound stage by local firms.

This year also marked the first full year of marketing Casino Regina's Show Lounge. The "Let the Show Begin" campaign won two Awards of Excellence from the International Association of Business Communicators. This campaign helped to add over 90,000 guests to events and functions, with approximately 65 per cent spending additional time playing in the casino.

Bus Tour Program

This year, Casino Regina and Casino Moose Jaw had a total of 43,000 bus guest visitors. Similar to previous years, we used shared co-operative marketing and special incentives to tour operators and guests. This program has an important role to play in increasing visitation during certain months and on specific days of the week. Casino Regina's Show Lounge, the addition of Casino Moose Jaw, and joint promotions with other tourism attractions in the area have kept the number of bus visitors relatively stable.

Goal #3: To provide Exceptional Gaming Entertainment Value to our guests through an exciting and innovative mix of gaming options, services and entertainment.

There was a slight decrease in the average drop/admission due to the lighter play at Casino Moose Jaw as projected in the business plan.

The following six key activities have been identified as necessary to achieve exceptional gaming entertainment value:

Slot Machines

In 2002-2003, Casinos Regina and Moose Jaw offered some of the most diverse selection of slot machines in Canada with 870 slot machines including specialty and multi-line games in 1 cent, 5 cent, 25 cent and $1 denominations. We expanded into leased slots featuring such themes as Wheel of Fortune, The Price is Right, Jeopardy and Yahtzee. There was an excellent response for this initiative from our customers, who enjoyed the increased variety on the gaming floor.

We also introduced The Titan, the first slot machine of its type in Canada. This oversized video slot machine lived up to its name, standing over eight feet tall and featuring a 27 inch view screen. Another popular slot machine that was introduced this year was Ripley's Believe it or Not, an interactive game with trivia questions in the bonus round.

This year also marked our largest progressive nickel prize ever awarded – more than $107,000!

In October, we introduced our first ever Slot Tournament, which ran for three days and proved to be tremendously popular with guests.

Table Games

Casino Regina continued to develop its reputation as the leading poker tournament venue in the country. We added the Diamond Poker Classic in July to our roster of Classic Poker Tournaments, which includes the Station Poker Classic (held every March) and the Harvest Poker Classic (held in November). These poker tournaments provide an annual prize pool payment of over $600,000 and attract guests from Canada, the United States and around the world. Another initiative in our table games area was the relocation of Roulette to Central Hall. This decision created a better social setting for guests and created increased efficiencies.

Casino Moose Jaw boasted 7 table games with betting ranges varying from $1 to $500. Included within the game mix are the proven favourites of Blackjack, Bonus Let It Ride and Roulette. Centrally located within Casino Moose Jaw, the table games area is a hub of excitement.

Service Delivery

New initiatives in service delivery continue to enhance our overall effectiveness and meet our overall goals and objectives. We implemented centralized scheduling, which included scheduling and shift replacement/call-ins for every department. We currently have three of the four required assistant schedulers in place and anticipate that the entire process will be completed soon. The Saskatchewan Tourism Education Council national certification process for Slot Attendants was implemented in 2002-2003 and will soon be expanded to table games. Not only will this process ensure consistent service delivery, but it will also provide employees with pride and ownership in their positions.

STRATEGIC DIRECTIONS

A Outstanding entertainment value, customer service and guest relations

Entertainment

Casino Regina's Show Lounge presents stars like Jann Arden, and homegrown Saskatchewan talent.

The Show Lounge continues to be the centrepiece of Casino Regina's entertainment area. From April 1, 2002 to March 31, 2003 the Show Lounge hosted 130 performances, which included 75 performances by local entertainers as opening or headlining acts. Approximately 70,000 people visited the Show Lounge.

The Show Lounge played host to a wide range of top-billing entertainers including Ian Tyson, Jann Arden, Prairie Oyster, The Oak Ridge Boys and The Irish Rovers. Tribute bands such as Will Collins's Liberace performance, The Ultimate Bee Gees Tribute, The Music of Frank Sinatra, and many others continued to be very popular to guests of all ages.

We are especially proud to provide a venue for Saskatchewan talent such as Brad Johner, The Poverty Plainsmen, The Western Senators, and MayB TED. The corporation also partnered with Regina's Globe Theatre to stage its 1950s musical production, Forever Plaid.

An $8 million Arts and Cultural Centre is under construction on Moose Jaw's historic Main Street and we are very excited about the entertainment opportunities this new development will provide Casino Moose Jaw patrons and visitors to the city. The Arts and Cultural Centre is expected to open in the fall of 2003. The corporation is proud that $1.25 million in casino profits has been provided towards this important new tourism attraction through the Community Initiatives Fund. The Government of Saskatchewan also provided $500,000 to this project through its Centenary Fund.

Auxiliary Services

Casinos Regina and Moose Jaw provide a variety of auxiliary services to our customers including free coat check, uniform rooms for staff and customer service representatives, and parking. By utilizing connected parkades for parking for Show Lounge guests, Casino Regina has been able to ensure there is adequate space in the casino parkade during peak periods of operation.

Food and Beverage Services

Food and beverage services continue to add value and extend visitor stay through complimentary non-alcoholic beverages on the gaming floors and a value-focused menu in The Last Spike Restaurant.

Patrons of Casino Moose Jaw are able to enjoy light snacks within the casino property or, if they prefer a full dining experience, they can sample the extensive menus offered in the elegant surroundings of Temple Gardens Mineral Spa. Casino Moose Jaw is connected by a SkyWalk to the Spa, so there is easy access to both restaurants operated by Temple Gardens. Harwoods Restaurant offers the option of fine dining, while the Oasis Garden Cafe provides guests with fresh and healthy eating alternatives in a more casual atmosphere.

Casino Regina's food and beverage services underwent significant changes during the year under review. Renovations were undertaken to The Last Spike Restaurant. It had been four years since the restaurant was created from the original Van Horne's concept. Through experience and customer feedback, it was decided to eliminate the buffet and salad bar service and replace it with table service. With the opening of the Show Lounge, it was determined that a stage area in the restaurant should be eliminated to provide additional seating capacity.

STRATEGIC DIRECTIONS

A. Outstanding entertainment value, customer service and guest relations

The Rail Car offers an intimate atmosphere for small groups.

The CPR Lounge – a great place to meet before entering the Show Lounge.

The historic Rail Car was revitalized for those who prefer an atmosphere of comfort and elegance and the main menu was revised in response to customer feedback. The Last Spike also received new paint and carpeting, tile and laminate, tables, chairs, and bench seating and server stations. Some minor renovations also took place in the kitchen. Beverage service is provided in the Show Lounge and the CPR Lounge, which is a part of the Entertainment Centre. Catering continues to be available in the Rail Car, the Telegraph Room, and the Coach Room.

Casino Moose Jaw and Casino Regina are also both conveniently located in the downtown cores of their communities, within easy walking distance of many fine eating establishments and shopping areas.

SGC is committed to being an Employer of Choice as an important part of our strategic direction of having motivated, representative, stable and highly trained employees. We have developed two goals to achieve this strategic direction.

Goal #1: Maintain an Employee Satisfaction Index in key areas of safety, satisfaction, empowerment, development and opportunity of 4.5 on a scale of 1 (poor) to 5 (excellent).

The Corporation will develop a new measurement tool in the fall of 2003 to establish criteria and benchmark information for the Employee Satisfaction Index.

To maintain a high level of employee satisfaction, the corporation focuses on the following key activities: Labour Relations with In-Scope Employees, maintaining a Performance Management System for all employees, achieving a staff turnover rate of less than 15 per cent, maintaining a healthy and safe workplace, and maintaining effective internal communications.

Labour Relations with In-Scope Employees

Management continues to maintain strong labour relations with in-scope employees. Although bargaining a new collective agreement was not a task for this fiscal year, considerable effort was taken to develop a positive basis for future labour relations with Casino Moose Jaw employees. Most of Casino Moose Jaw's employees who were hired had previously been employed by the Golden Nugget Casino, which was located at the Moose Jaw Exhibition Grounds. Casino Moose Jaw employees are represented by the Retail, Wholesale and Department Store Union (RWDSU), who also represent Casino Regina's Food and Beverage employees.

Other in-scope employees are represented by the Public Service Alliance of Canada (PSAC). We look forward to smooth and productive negotiations as work begins on the unit's third collective agreement this fiscal year.

President and CEO Joe van Koeverden drops by the kitchen for a quick snack and a snapshot.

Performance Management System

Our Performance Management System correlates an employee's work plan with the corporation's strategic plan and entails quarterly meetings of supervisors with individual employees. This system provides the opportunity first, to ensure that the employee has the knowledge, abilities and skills to achieve the work objectives, and secondly for the employer to inform the employee of any changes in corporate policy or direction that may affect their duties.

Safe and Healthy Workplace

The corporation is extremely proactive in dealing with potential health and safety issues. With the assistance from the Aboriginal Management Development Program, a work placement initiative was introduced to the Occupational Health and Safety component of the workplace. The students developed the Health and Safety Manual by analyzing the corporation's hazard analysis and safe work procedures for each position in every department. This manual is available to all workers and supervisors to ensure they understand, comply and enforce all documented safe work procedures. The goal of this initiative is to reduce the workplace accident/injury rate and Workers Compensation claims.

Another major safe and healthy workplace initiative was a series of recommendations by the Shiftwork Committee to create a more family-oriented and health-conscious shift schedule. These recommendations will be studied through a three-month pilot project involving a new shift schedule for Table Games supervisors, Slot Attendants and Security staff.

Internal Communications

Improving management communication was one of the corporation's key goals in 2002-2003. With this goal in mind, the Management and Leadership Development program was formally launched this year.

Participants in this 40-hour Human Resource Management 101 course learn the core knowledge, management and leadership skills necessary to effectively communicate expectations to their employees. The program was launched in May 2002 and was delivered to SGC managers as well as managers from the Saskatchewan Indian Gaming Authority (SIGA).

Executive Management of the corporation also understands the importance of supplementing face-to-face communication with other communication vehicles. In January, a new bi-weekly newsletter, aptly named All Aboard, was introduced in order to provide employees with timely information on corporation news.

Goal #2: To maintain a representative workforce with special attention to our mandate of 50 per cent Aboriginal employees.

Our commitment to maintaining and developing a representative workforce of 50 per cent Aboriginal content is a fundamental element of our Human Resources strategy. Key activities to achieve this goal include: Succession Planning, the Leadership Development Program, the Gaming Administration and Casino Management Strategic Alliance, and the Aboriginal Management Development Program.

As of March 31, 2003, the corporation had 752 employees, of whom 51.3 per cent were Aboriginal, exceeding the standard set through the partnership agreement with the Federation of Saskatchewan Indian Nations. Women constitute 53 per cent of the workforce; Persons with Disabilities, 4.6 per cent; and Visible Minorities 6.6 per cent.

A Career Development Counselor joined the Human Resources and Aboriginal Affairs team. This person is responsible for facilitating an on-going collaborative process between employees seeking to develop their full potential and achieve their career aspirations, and the corporation seeking to ensure that the necessary human resources are available to meet its objectives. Employees have access to individual career counseling, assistance in developing personal learning plans, and career-related workshops.

The corporation has established partnerships with several community organizations including the First Nations Employment Centre, Saskatchewan Abilities Council, and South Saskatchewan Independent Living Centre, to ensure the corporation can continue to recruit employees from target groups. The following key activities help us continue to maintain our mandate of developing a representative workplace with special attention to our mandate of 50 per cent Aboriginal representation throughout the corporation:

Training and Development Programs

The corporation has developed several initiatives to achieve diversity at all levels within Casino Regina and Casino Moose Jaw.

- Aboriginal Management Development Program

Successful candidates in this program participate in a customized approach to prepare them to become a front-line supervisor. Employees can enter the AMDP at a variety of different levels. There were two candidates in the program this year. Participants received the opportunity to develop a flexible personal learning plan that allowed them to attend university, while remaining as paid employees. After successfully completing a semester, each participant returned to the casino to apply the skills and knowledge learned at school.

• Gaming Administration and Casino Management Strategic Alliance

The corporation and its strategic alliance partners – Saskatchewan Indian Federated College (SIFC), Saskatchewan Indian Gaming Authority (SIGA) and the Saskatchewan Liquor and Gaming Authority (SLGA) – have developed gaming administration classes to develop future leaders in the gaming industry. These classes include: An Introduction to the Gaming Industry; Casino Marketing; and Gaming Finance and Administration. These classes are delivered through SIFC's industry and business students program.

• Workplace Development and On-The-Job Training

In preparing for the opening of Casino Moose Jaw, each employee attended technical training and job shadowing required for his or her job in addition to orientation, customer service training, communication training, responsible gaming and dealing with shift work seminars, responsible alcohol service and Human Resource Management 101.

Casinos Regina and Moose Jaw encourage all staff to reach their personal goals.

STRATEGIC DIRECTIONS

C. Public Acceptance, Corporate Image and Responsible Partnership Relations

To increase our visibility in the community as a model corporate citizen, highlighting the benefits that the corporation brings to the community and Saskatchewan people including our public policy objectives and unique partnership with the Federation of Saskatchewan Indian Nations, SGC has developed three goals:

Goal #1: To obtain and maintain a score in the "Perception of Casinos Regina and Moose Jaw" survey section of the Customer Survey to a value of "4.0".

We will continue to assess the success of Casinos Regina and Moose Jaw as a model corporate citizen highlighting the benefits that the corporation brings to the community and Saskatchewan people. This will include our public policy objectives and unique partnership with the Federation of Saskatchewan Indian Nations through media coverage and monitoring relationships with community organizations. Numerical benchmarks will be developed from the customer and telephone surveys in the next fiscal year.

To achieve this goal, two key activities were identified:

Model Community Relations and Corporate Citizenship Program

We strive to be a model corporate citizen in every aspect of our operations. From organizing events, participating in corporate fundraising events, to donating promotional items, Casino Regina and Casino Moose Jaw touch thousands of people each year.

This year, our corporate sponsorship program was broadened to include the community of Moose Jaw. Casino Moose Jaw employees helped us to identify a number of events and community partnerships that we became involved in including the Moose Jaw Multicultural Council, the Museum and Art Gallery, the local Kinsmen Club, the United Way, Transition House and many more.

STRATEGIC DIRECTIONS

C Public Acceptance, Corporate Image and Responsible Partnership Relations

Casino Regina and Casino Moose Jaw also contribute to our communities in a broader perspective by partnering with the Cities of Moose Jaw and Regina, Tourism Regina and Moose Jaw, Tourism Saskatchewan and others to promote our cities and province. We are very pleased to be a key community booster in the City of Regina's "I Love Regina" campaign.

We were also very pleased to play an instrumental role along with Bid Regina in attracting the 2002 Canadian Gaming Summit to Regina. This event, which brought together more than 600 gaming professionals, created approximately $1.4 million in economic activity in the city. Casino Regina's Show Lounge and the expanded entertainment opportunities it provides the city has helped Regina attract numerous other provincial, national and international events to our community.

Casino employees lend a helping hand at one of our many community events.

Sponsorship and Volunteering at Community Events

Casinos Regina and Moose Jaw believe strongly in giving back to the communities in which we operate. This year, we provided approximately $350,000 to community initiatives and gave staff the opportunity to volunteer their time to these activities.

Casino Regina and Casino Moose Jaw's volunteer activities are assisted by the organization's Sponsorship Committee, which consists of employees who help direct financial and volunteer support.

We have supported a wide range of activities ranging from the Canadian Paraplegic Association and Canadian Cancer Society to the United Way and the Festival of Words. Once again, SGC also coordinated several high-profile community events such as the annual Human Foosball Tournament which raised over $10,000 for the Circle Project. We also proudly hosted high profile National Aboriginal Day celebrations.

The organization also provided Casino Regina's Show Lounge as a venue for numerous community events in support of organizations such as Regina Palliative Care, Regina and District Chamber of Commerce, Saskatchewan Country Music Awards, Saskatchewan Jazz Festival, Chinese New Year, I Love Regina Day, and Celebrity Boxing.

Goal #2: To maintain a safe and crime free environment for both staff and guests.

Our recorded incidents have shown only a slight increase proportionate to the increased traffic after the expansion.

Three key components were developed to achieve this goal: floor security, surveillance and investigations, and operational security. The following activities were developed to implement these three strategies.

Floor Security

Early in the new fiscal year, the corporation will be introducing a leading-edge incident tracking system. This system will allow for a complete analysis of information, and in the future, facial recognition. This feature will be a key component in the tracking of persons of interest within the casino industry and to maintain control of any problem gaming issues.

Operational Security

The opening of Casino Moose Jaw, as well as the development of the Show Lounge and the Learning and Development Centre, led the Security Department to update its systems that monitor activities within all properties. There was also a renewed emphasis on the replacement of equipment associated with access control within the casinos.

Surveillance and Investigations

A realignment of duties within the Security and Surveillance area, which began the previous year, is now having a beneficial impact on casino operations. There is now better supervision of employees and a well-recognized career path within the department. This allows for increased skill development of employees and an opportunity to develop Aboriginal people for potential management positions within Security and in other departments. As well, with the addition of Casino Moose Jaw, there is better succession planning for those positions which require specialized training.

Goal #3: To develop and maintain policies and practices which will position SGC as a leader in the area of responsible gaming in the province and industry.

The following key activities support this goal: Proactive Policies and Procedure that reflect a Leadership Role, an Intervention and Training Program, and a Voluntary and Involuntary Ban Program.

Proactive Policies and Procedures

The corporation has also maintained a progressive approach toward dealing with the potential negative impacts some people may experience from gaming. Although problem gaming only affects a very small percentage of the gaming public, we recognize it can be a serious problem for those people and their families.

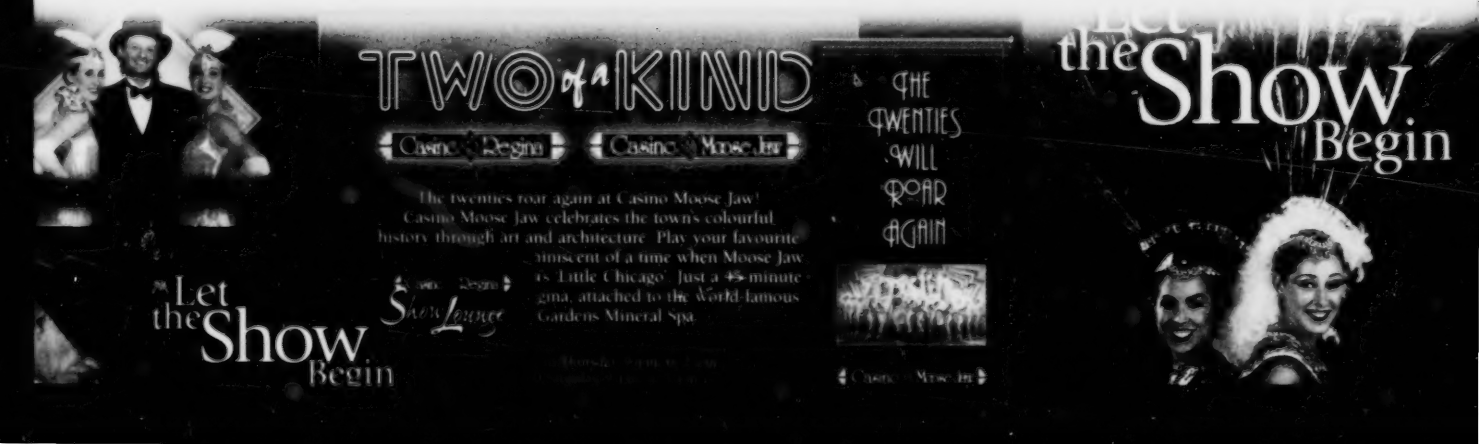
We are committed to promoting responsible gaming practices and increasing public awareness of problem gaming. The corporation is a member of the Saskatchewan Responsible Gaming Association, which works closely with the Canadian Mental Health Association and other community stakeholders such as the Regina Committee on Problem Gambling and the Moose Jaw Committee on Problem Gambling, to minimize the negative social impacts of problem gaming.

Intervention and Training Program

A review of the organization's responsible gaming practices has been conducted and the corporation is in the process of developing training for intervention by Casino Managers. We are also working with Saskatchewan Health on a number of other initiatives in this area, including providing links on our corporate websites to problem gaming counselors and services available in the community.

Voluntary and Involuntary Ban Program

As part of our mandate to be proactive in the area of responsible gaming, Casino Regina and Casino Moose Jaw maintain a voluntary ban admission program. Players who are experiencing problems can have themselves banned from the casinos for a specified period of time.


Let the Show Begin
TWO of a KIND
Casino Regina
Casino Moose Jaw
The twenties roar again at Casino Moose Jaw!
Casino Moose Jaw celebrates the town's colourful history through art and architecture. Play your favourite
reminiscent of a time when Moose Jaw
as 'Little Chicago'. Just a 45-minute
gina, attached to the World-famous
Gardens Mineral Spa.
Show Lounge
THE TWENTIES WILL ROAR AGAIN
Casino Moose Jaw
the Show Begin

STRATEGIC DIRECTIONS

D. Financial Performance and Accountability

To consistently achieve optimal financial performance and health for the corporation, within the guidelines of our mandate, meeting our social responsibility toward gaming and maintaining the highest standards of financial integrity.

Goal #1: To maintain the corporate growth rate as outlined in the multi-year plan with a net operating income of 42 per cent and a minimum 10 per cent annual revenue growth.

During the 2002-2003 fiscal year, we posted a net income of $32 million, up 21% over the previous year's record profit of $26.4 million.

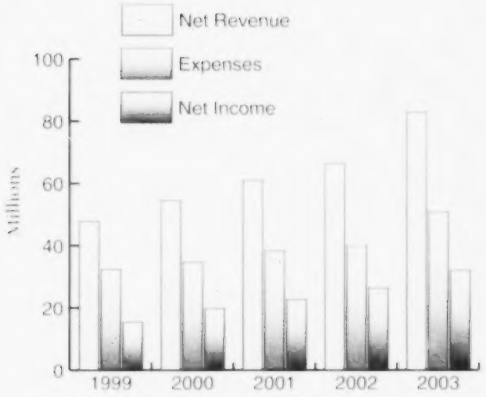
Net revenues for the year were $82.8 million, up $16.4 million or over 24% over the previous year. Gross gaming revenue increased to $79.1 million lead by a 26% increase in slot revenues, due primarily to the opening of Casino Moose Jaw and the addition of 125 slot machines at Casino Regina. Table revenues reversed their downward trend and increased by approximately 10% in 2002-2003.

Other revenues, which include Food and Beverage Service, Parking, the Show Lounge, interest and rent, increased approximately 60% primarily due to a full year of operation of the Show Lounge.

Expenses rose from $40 million in 2001-2002 to $51 million in 2002-2003, a 28% increase. This increase reflects the opening and ongoing operating costs of Casino Moose Jaw and the increased infrastructure costs at Casino Regina.

Despite incurring these additional expenses, most of which are one time costs associated with opening Casino Moose Jaw, SGC posted a net return of 41.9%, down only slightly from our goal of maintaining a minimum ratio of 42% of net operating income to net revenue. We forecast a return to our 42% goal in the upcoming years.

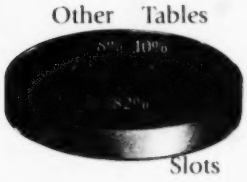
Revenue by Source



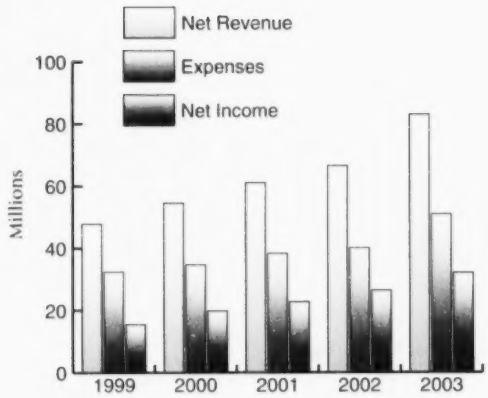
Goal #2: To strengthen the corporation's balance sheet by growing its asset base while effectively managing its cash and financing requirements.

In 2002-2003, the corporation exceeded its normal capital budget target of 4% of revenues due primarily to the final completion of our major Phase II expansion (Show Lounge, Parkade and SkyWalk) and the opening of Casino Moose Jaw. Despite these extraordinary capital demands, we were able to fund our Slot Machine Replacement Strategy to ensure our guests are always provided with the latest slot machines available.

In addition, the corporation developed a multi-year capital replacement plan as well as a multi-year cash management plan. These plans have helped us to identify upcoming capital replacement pressures, such as updating of the slot system, and ensure we have an orderly plan based on corporate priorities.



Revenue by Source



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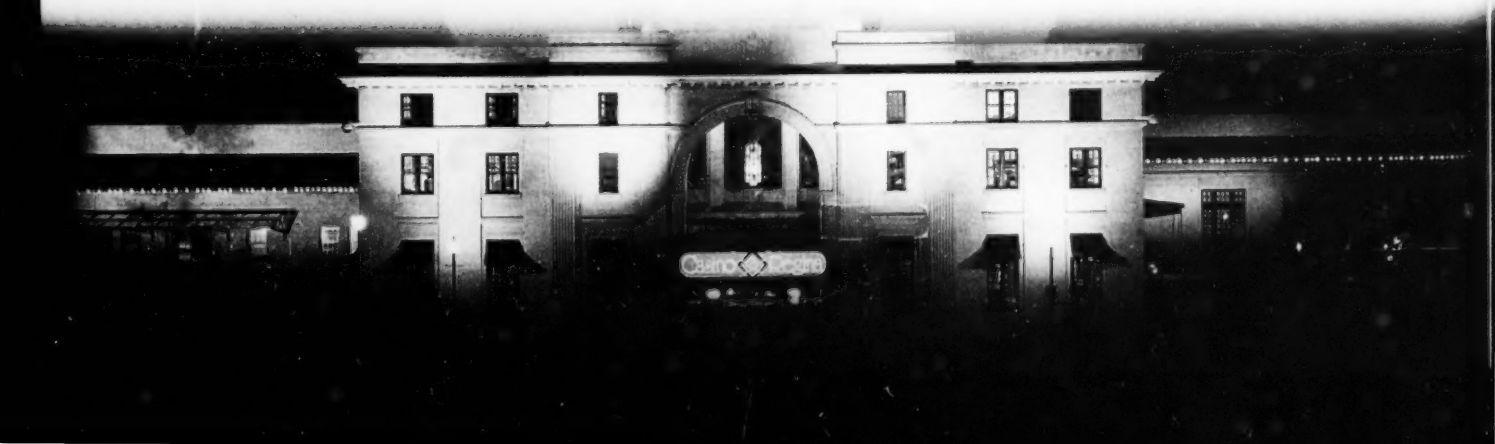

Goal #3: To accurately forecast and analyze corporate financial results and trends to allow for timely reaction to changes.

In 2002-2003 the corporation's actual results equaled its original budget of $32 million. This was achieved despite the fact that revenues were slightly below the budgeted amount as actual expenses were also below their budgeted level. The accuracy of the corporation's forecasting process can be attributed to the use of a business model which is based on average daily guest counts and their spending patterns. This model has proven to be a useful tool to spot trends at the corporate level by analyzing a number of key indicators such as daily win per admission.

The corporation plans to extend this modeling concept to the business unit level by providing our managers with the appropriate systems to help them "manage what matters."

Goal #4: To conduct all corporate business with the highest standards of integrity, following approved policies and procedures and providing full accountability.

Given the gaming industry's highly regulated environment, Casinos Regina and Moose Jaw are the subject of numerous audits by various agencies throughout the year. These agencies include the Provincial Auditor, the Saskatchewan Liquor and Gaming Authority (SLGA) and Canada Customs and Revenue Agency (CCRA). In addition, the corporation has contracted Holland Casino to perform a bi-annual operational audit of its gaming activities.

STRATEGIC DIRECTIONS

D. Financial Performance and Accountability

The corporation has met all external and internal monthly, quarterly and annual reporting deadlines. During 2001-2002, the corporation engaged the services of KPMG to complete a comprehensive analysis of how GST applies to non-gaming and gaming activities. Based on the allocation methodology recommended by the consultant, the corporation submitted a request for GST recovery to CCRA. The CCRA is continuing its audit of our new allocation methodology.

The corporation has identified five areas of risk that it must manage well to ensure its continued success and long-term viability. These key areas are:

- Ensuring fairness and integrity in gaming operations;
- Maintaining Casinos Regina and Moose Jaw's competitive positions as top tourist destinations;
- Meeting government expectations for reasonable profitability and performance accountability;
- Offering quality employment and career opportunities consistent with employment equity objectives; and,
- Operating in a socially responsible manner.

The Provincial Auditor's Office has conducted a review of the organization's systems and practices to ensure the integrity of its gaming operations (the first risk area identified above). Although the Auditor recommended some areas of improvement in his 2002 Spring Report – Chapter 7, he stated that, "Overall, SGC has done a good job of managing its affairs." The corporation appreciates the Auditor's observations and is in the process of implementing all of the recommendations.

For further details on Casinos Regina and Moose Jaw initiatives and operations, to receive copies of the audited consolidated financial statements, to receive the audited financial statements for SGC Holdings Inc. (the holding company for the corporation's assets) or to request copies of this annual report, contact Executive Services at:

1880 Saskatchewan Drive
Regina, Saskatchewan
S4P 0B2

Telephone: (306) 787-1592
Fax: (306) 787-1444

In Canada, call toll-free:
1-800-555-3189
or visit our websites at www.casinoregina.com and www.casinomoosejaw.com

NOTES

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NOTES

CASINOS
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Casino Moose Jaw

SGC HOLDINGS INC.

FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2003

MANAGEMENT REPORT

The accompanying financial statements and related financial information presented throughout the Annual Report have been prepared by management using generally accepted accounting principles. Management is responsible for the integrity, objectivity and reliability of the financial statements.

The financial statements for the year ending March 31, 2003 have been approved by the Saskatchewan Gaming Corporation's Board of Directors.

Management of the corporation has established (and maintains) a system of internal controls, providing assurance that transactions are recorded and executed in compliance with legislation and authority; assets are safeguarded, there is an effective segregation of duties and responsibilities, and reliable records are maintained. An auditing function exists within the corporation that objectively assesses the effectiveness of internal controls.

The Provincial Auditor has examined the corporation's financial statements as at March 31, 2003. The Auditor's Report to the Members of the Legislative Assembly of Saskatchewan expresses an independent opinion of fairness of presentation of the corporation's financial statements in accordance with generally accepted accounting principles.

Joe van Koeverden
President and CEO

Twyla Meredith
Vice-President
Finance and Administration
May 2, 2003

AUDITOR'S REPORT

To the Members of the Legislative Assembly of Saskatchewan

I have audited the statement of financial position of SGC Holdings Inc. as at March 31, 2003 and the statements of operations and retained earnings, and cash flows for the year then ended. The Corporation's management is responsible for preparing these financial statements for Treasury Board's approval. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the Corporation as at March 31, 2003 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Regina, Saskatchewan
May 2, 2003

Fred Wendel, CMA, CA
Provincial Auditor

SGC HOLDINGS INC.

STATEMENT 1

STATEMENT OF FINANCIAL POSITION AS AT MARCH 31

Assets

	2003	2002
Current assets:		
Cash	$ 1,941,003	$ 133,468
Accounts receivable	124,718	678,011
Prepaid expenses	---	141,634
Current portion of lease receivable (Note 3)	6,642,240	5,739,236
	8,707,961	6,692,349
Long-term lease receivable (Note 3)	38,253,378	38,922,485
Total Assets	$ 46,961,339	$ 45,614,834

Liabilities and Equity

Current liabilities:		
Accounts payable	$ 2,752,498	$ 2,208,644
Due to SGC (Note 4)	10,803,286	7,990,091
Current portion of long-term debt (Note 5)	2,280,452	2,111,202
	15,836,236	12,309,937
Long-term debt (Note 5)	31,117,930	33,276,001
	46,954,166	45,585,938
Equity:		
Share capital (Note 6)	1,000	1,000
Retained earnings (Statement 2)	6,173	27,896
	7,173	28,896
Total Liabilities and Equity	$ 46,961,339	$ 45,614,834

(See accompanying notes to the financial statements)

SGC HOLDINGS INC.

STATEMENT 2

STATEMENT OF OPERATIONS AND RETAINED EARNINGS FOR THE YEAR ENDED MARCH 31

	2003	2002
Revenue:		
Bank interest	$ 14,171	$ 27,901
Other	---	378
	14,171	28,279
Expenses:		
Bank charges	427	333
Exchange loss	7,571	50
	7,998	383
Net income	6,173	27,896
Retained earnings, beginning of the year	27,896	17,309
	34,069	45,205
Transfer to SGC	27,896	17,309
Retained earnings, end of the year (Statement 1)	$ 6,173	$ 27,896

(See accompanying notes to the financial statements)

SGC HOLDINGS INC.

STATEMENT 3

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED MARCH 31

	2003	2002
Cash flow from Operating Activities:		
Net income	$ 6,173	$ 27,896
Changes in non-cash working capital balances:		
Accounts receivable	553,293	(492,790)
Prepaid expenses	141,634	(141,634)
Accounts payable	543,854	539,964
	1,244,954	(66,564)
Cash flow (used in) Investing Activities:		
Purchase of capital assets for lease	(5,973,132)	(21,607,108)
Lease payments received	5,739,235	4,448,217
	(233,897)	(17,158,891)
Cash flow from Financing Activities:		
Transfer to SGC	(27,896)	(17,309)
Increase in due to SGC	2,813,195	1,833,533
Loan for casino expansion	----	17,000,000
Repayment of debt	(1,988,821)	(1,706,254)
	796,478	17,109,970
Net increase in cash	1,807,535	(115,485)
Cash, beginning of year	133,468	248,953
Cash, end of year	$ 1,941,003	$ 133,468

(See accompanying notes to the financial statements)

1. Description of Business

SGC Holdings Inc. was incorporated under *The Business Corporations Act* (Saskatchewan) and is a wholly owned subsidiary of the Saskatchewan Gaming Corporation (SGC). Since its inception, SGC Holdings Inc. purchased capital assets and leased them to SGC for the operation of Casino Regina and Casino Moose Jaw. The financial results of SGC Holdings Inc. are included in the consolidated financial statements of SGC.

2. Significant Accounting Policies

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles.

3. Long-term Lease Receivable

SGC Holdings Inc. entered into a building and equipment direct financing lease agreement with SGC. The receivable is non-interest bearing and has minimum repayments as follows:

	2003	2002
Year ending March 31		
2003	$ ---	$ 5,739,236
2004	6,642,240	5,403,550
2005	6,136,670	4,897,980
2006	5,879,543	4,640,852
2007	5,202,943	4,074,412
2008	4,119,101	2,990,570
2009 and subsequent	16,915,121	16,915,121
Total minimum payments receivable	$ 44,895,618	$ 44,661,721
Less current portion	6,642,240	5,739,236
	$ 38,253,378	$ 38,922,485

Due to the nature of this receivable, it is not practical to determine fair value with sufficient reliability.

4. **Due to SGC**

Amounts due to SGC are non-interest bearing and payable on demand. These amounts represent payments made by SGC on behalf of SGC Holdings which have not yet been reimbursed.

5. **Long-Term Debt**

	2003	2002
Land and Building Loan, repayable in monthly instalments of $256,715 including interest at 9.2%, due April 1, 2011	$ 17,521,903	$18,808,171
Building Loan, repayable in monthly instalments of $76,572 including interest at 6.48%, due December 1, 2016	8,348,762	8,713,691
Building Loan, repayable in monthly instalments of $67,790 including interest at 6.17%, due December 1, 2016	7,527,717	7,865,341
	33,398,382	35,387,203
Less current portion	2,280,452	2,111,202
	$ 31,117,930	$33,276,001

The above loans are secured by assets and shares of SGC Holdings Inc. The above loans may only be prepaid at a penalty cost to SGC Holdings. Principal repayments required in the next five years are as follows:

2004	$ 2,280,452
2005	2,476,284
2006	2,689,411
2007	2,921,397
2008	3,173,946
2009 and subsequent	19,856,892
	$33,398,382

Under an agreement between SGC and SGC Holdings Inc., SGC is responsible for paying the interest portion of the loans directly to the lenders. Accordingly, these financial statements do not show the cost of servicing this debt. For the year ended March 31, 2003, SGC's financial statements include interest expense of $2,698,015 (2002 - $2,489,922) for this debt.

The fair value of the long-term debt is approximately $35,711,000. The fair value is determined by discounting the future contractual cash flows using rates currently available for debt of similar terms and maturities.

6. Share Capital

	2003	2002
Authorized		
Unlimited voting common shares with no par value		
Unlimited non-voting preferred shares with no par value		
Issued and outstanding		
100 common shares	$ 1,000	$ 1,000

7. Related Party Transactions

These financial statements include transactions with related parties. SGC Holdings Inc. is related to all Saskatchewan Crown agencies such as departments, corporations, boards and commissions under the common control of the Government of Saskatchewan. Also, the Corporation is related to non-Crown agencies that the Government jointly controls or significantly influences.

Routine operating transactions with related parties are recorded at the standard rates charged by those organizations and are settled on normal trade terms.

SGC Holdings Inc. has not been charged with administration costs. These costs have been absorbed by SGC.

In addition, SGC Holdings Inc. pays Saskatchewan Provincial Sales Tax to the Saskatchewan Department of Finance on all its taxable purchases. Taxes paid are recorded as part of the cost of those purchases.

SGC Holdings Inc. also paid $158,295 (2002 - $21,856,934) to SPMC related to the Casino Regina expansion and recorded this amount as part of the long-term lease receivable from SGC.

Other transactions with related parties and amounts due to/from them are described separately in the financial statements and the notes thereto.

8. **Fair Value**

Cash, accounts receivable, accounts payable, and Due to SGC are all short-term in nature and as such their carrying value approximates their fair value. Fair value information for other financial instruments is described separately in these financial statements and the notes thereto.

CASINOS
Regina & Moose Jaw
Casino Regina
Casino Moose Jaw

SASKATCHEWAN GAMING CORPORATION

CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2003

MANAGEMENT REPORT

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Management of the corporation has established (and maintains) a system of internal controls, providing assurance that transactions are recorded and executed in compliance with legislation and authority; assets are safeguarded, there is an effective segregation of duties and responsibilities, and reliable records are maintained. An auditing function exists within the corporation that objectively assesses the effectiveness of internal controls.

The Provincial Auditor has examined the corporation's financial statements as at March 31, 2003. The Auditor's Report to the Members of the Legislative Assembly of Saskatchewan expresses an independent opinion of fairness of presentation of the corporation's financial statements in accordance with generally accepted accounting principles.

Joe van Koeverden
President and CEO

Twyla Meredith
Vice-President
Finance and Administration
May 2, 2003

AUDITOR'S REPORT

To the Members of the Legislative Assembly of Saskatchewan

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I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

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Regina, Saskatchewan
May 2, 2003

Fred Wendel, CMA, CA
Provincial Auditor

SASKATCHEWAN GAMING CORPORATION

STATEMENT 1

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT MARCH 31

	(in 000's) 2003	2002
ASSETS		
Current assets:		
Cash and short-term investments	$ 21,236	$ 16,781
Accounts receivable	469	889
Inventory	179	177
Prepaid expenses	757	580
	22,641	18,427
Capital assets (Note 3)	61,036	50,782
Total Assets	$ 83,677	$ 69,209
LIABILITIES AND RETAINED EARNINGS		
Current liabilities:		
Accounts payable and accrued liabilities	$ 8,301	$ 7,442
Loan payable (Note 6 c)	1,730	---
Current portion of long-term debt (Note 4)	2,280	2,111
Current portion of capital lease obligation (Note 5)	900	---
	13,211	9,553
Due to General Revenue Fund (Note 1)	32,013	26,380
Long-term liabilities:		
Long-term debt (Note 4)	31,118	33,276
Capital lease obligation (Note 5)	7,335	---
	38,453	33,276
Retained earnings (Statement 2)	---	---
Total Liabilities and Retained Earnings	$ 83,677	$ 69,209

Commitments (Note 6)

(See accompanying notes to the financial statements)

SASKATCHEWAN GAMING CORPORATION

STATEMENT 2

CONSOLIDATED STATEMENT OF OPERATIONS AND RETAINED EARNINGS

FOR THE YEAR ENDED MARCH 31

(in 000's)

	2003		2002
	Budget (Note 11)	Actual	Actual
Revenue: (Note 7)			
Gross revenues	$ 92,515	$ 88,352	$ 71,473
Less:			
Promotional allowances	4,782	3,423	3,270
Ancillary cost of goods sold	2,117	2,093	1,805
	85,616	82,836	66,398
Operating expenses (Notes 7 & 8):	54,010	50,823	40,018
Net income	31,606	32,013	26,380
Retained earnings, beginning of the year	---	---	---
Transfer to General Revenue Fund (Note 1)	31,606	32,013	26,380
Retained earnings, end of the year - to Statement 1	$ ---	$ ---	$ ---

(See accompanying notes to the financial statements)

SASKATCHEWAN GAMING CORPORATION

STATEMENT 3

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED MARCH 31

	(in 000's) 2003	2002
Cash flows from operating activities:		
Net income	$ 32,013	$ 26,380
Items not involving cash:		
Amortization of capital assets	4,004	3,049
Gain on sale of capital assets	(114)	(27)
Changes in non-cash working capital balances:		
Accounts receivable	420	(571)
Prepaid expenses	(177)	(106)
Inventories	(2)	(21)
Accounts payable and accrued liabilities	859	2,601
	37,003	31,305
Cash flows (used in) investing activities:		
Proceeds from sale of capital assets	4,100	4,008
Purchase of capital assets	(9,977)	(25,786)
	(5,877)	(21,778)
Cash flows (used in) financing activities:		
Payment to General Revenue Fund	(26,380)	(22,709)
Loan for casino expansion	---	17,000
Equipment loan	6,000	---
Repayment of equipment loan	(4,270)	---
Repayment of capital lease obligation	(32)	---
Repayment of debt	(1,989)	(1,706)
	(26,671)	(7,415)
Net increase in cash and short-term investments	4,455	2,112
Cash and short-term investments, beginning of the year	16,781	14,669
Cash and short-term investments, end of the year	$ 21,236	$ 16,781

(See accompanying notes to the financial statements)

1. Description of Business

The Saskatchewan Gaming Corporation (SGC) manages and operates Casino Regina and Casino Moose Jaw. SGC was established under *The Saskatchewan Gaming Corporation Act, 1994* (Act). Under Section 13 of the Act, SGC, unless directed otherwise by Treasury Board, shall pay its net profits for each fiscal year to the General Revenue Fund.

SGC was established to provide for separation of regulatory and operational aspects of gaming. SGC must operate in accordance with statutory provisions established under Section 207 of the *Criminal Code of Canada* and *The Alcohol and Gaming Regulation Act, 1997*. Regulation of its operations is controlled by the separately constituted Saskatchewan Liquor and Gaming Authority.

2. Significant Accounting Policies

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles. The significant policies which have been adopted are described below.

a) Basis of Consolidation

The consolidated financial statements combine the accounts of Saskatchewan Gaming Corporation and its wholly-owned subsidiary, SGC Holdings Inc. All intercompany transactions and accounts have been eliminated on consolidation.

b) Revenue

Gaming revenue (table and slot revenues) represents the net win from gaming activities, which is the difference between the amounts wagered and pay-outs by the casino. Gaming revenues are net of accruals for anticipated payouts of progressive jackpots.

c) Players Club Program

As part of its customer loyalty initiative, SGC offers a players club program to patrons. Under the program, club members accumulate reward points based on the amounts wagered and time spent on certain slot machines. Members can redeem their points for cash. SGC records the points earned as a reduction of gaming revenue.

d) Promotional Allowances

The retail value of goods and services furnished to casino guests without charge is included in revenue and then deducted as promotional allowances. Promotional allowances also include complimentary coins given to patrons.

e) Inventory

Inventory is stated at the lower of cost and net realizable value.

f) Capital Assets

Capital assets are stated at cost less accumulated amortization. Assets are amortized commencing in the year in which assets are placed in service using the straight-line method over their useful lives as follows:

Building and renovations	Five to forty years
Gaming equipment	Three to five years
Computer equipment	Three to five years
Furniture and equipment	Three to five years

g) Cash and Short-term Investments

Cash and short-term investments consist of cash on hand and balances with banks and investments in a Canadian money market fund. Short-term investments are carried at cost, which approximates market value.

3. Capital Assets

	(in 000's) 2003			2002
	Cost	Accumulated Amortization	Net Carrying Amount	Net Carrying Amount
Building and renovations	$ 56,555	$ 7,827	$ 48,728	$ 43,161
Gaming equipment	12,521	8,946	3,575	1,666
Land	5,218	---	5,218	4,228
Computer equipment	4,246	2,920	1,326	794
Furniture and equipment	4,489	2,300	2,189	933
	$ 83,029	$ 21,993	$ 61,036	$ 50,782

Included in the above are the following assets under capital lease:

Building under capital lease	$ 7,277	$ 106	$ 7,171	$ ---
Land under capital lease	990	---	990	---
Total assets under capital lease	$ 8,267	$ 106	$ 8,161	$ ---

4. Long-Term Debt

(in 000's)

	2003	2002
Land and Building Loan, repayable in monthly instalments of $256,715 including interest at 9.2%, due April 1, 2011	$ 17,522	$ 18,808
Building Loan, repayable in monthly instalments of $76,572 including interest at 6.48%, due December 1, 2016	8,348	8,714
Building Loan, repayable in monthly instalments of $67,790 including interest at 6.17%, due December 1, 2016	7,528	7,865
	33,398	35,387
Less current portion	2,280	2,111
	$ 31,118	$ 33,276

The above loans are secured by assets and shares of SGC Holdings Inc. The above loans may only be prepaid at a penalty cost to SGC. Principal repayments required in the next five years are as follows:

	(in 000's):
2004	$ 2,280
2005	2,476
2006	2,689
2007	2,921
2008	3,174
2009 and subsequent	19,858
	$ 33,398

The fair value of the long-term debt is approximately $35,711. The fair value is determined by discounting the future contractual cash flows using rates currently available for debt of similar terms and maturities.

5. Capital Lease Obligation

On July 31, 2001, SGC made an agreement with a private company for the construction of Casino Moose Jaw. Beginning in September 2002, SGC leased the property from that company for 25 years at an annual cost of $900,000 for the first ten years, and $935,000 thereafter. At the end of the lease, SGC will acquire the property for the sum of one dollar.

The minimum lease payments under the capital lease obligation are as follows (in 000's):

	Building	Land	Total
2004	$ 792	$ 108	$ 900
2005	792	108	900
2006	792	108	900
2007	792	108	900
2008	792	108	900
2009 and subsequent	16,109	2,191	18,300
Total minimum lease payments	20,069	2,731	22,800
Amount representing interest at 10.3%	(12,821)	(1,744)	(14,565)
Balance of the obligation	7,248	987	8,235
Less current portion	(792)	(108)	(900)
	$ 6,456	$ 879	$ 7,335

The fair value of the capital lease obligation is approximately $8,341. The fair value is determined by discounting the future contractual cash flows using rates currently available for debt of similar terms and maturities.

6. Commitments

a) Agreement with Regina Exhibition Association (Association)

On April 1, 1997, SGC entered into an agreement with the Association to fulfil previous commitments made to the Association regarding the maintenance of a certain level of its income.

The Association terminated the agreement effective November 23, 1997. Under the termination provisions of the agreement, SGC agreed to pay the Association monthly payments of $235,417 for the first year following termination of the agreement and monthly payments of $216,667 until 2027.

b) Agreement with Moose Jaw Exhibition Company Ltd. (MJEX)

On July 31, 2001, SGC entered into an agreement with MJEX regarding the maintenance of a certain level of income upon the opening of Casino Moose Jaw.

Under this agreement, SGC agreed to pay MJEX $34,583 monthly starting in 2003 and continuing until 2028.

c) Operating Lease

SGC sold certain equipment to a leasing company. SGC then made an agreement with the leasing company to lease back the equipment. The lease terms for the equipment range from 36 to 43 months. Lease and rental expense includes $1,395,850 (2002 - $269,130) for leasing this equipment.

The minimum annual lease payments required are as follows (in 000's):

2004	$ 1,902
2005	2,521
2006	1,316
Total	$ 5,739

Also, SGC has a loan payable of $1,729,605 to the leasing company. This loan has an interest rate of 6.2% per annum and is payable on demand.

7. Segmented Information
(in 000's)

The operations of SGC's two casinos have been segmented in the table below. Corporate revenue consists of rental and interest income. Corporate expenses include general head office administration expenses and general marketing and communication expenses. These expenses have not been allocated to the casino operations because of their nature.

	Casino Regina	Casino Moose Jaw	Corporate	2003 Total	2002 Total
Slot machine revenue	$ 61,062	$ 9,021	$ ---	$ 70,083	$ 55,701
Table games revenue	8,205	790	---	8,995	8,178
Ancillary revenue:					
Food & Beverage	4,922	370	---	5,292	4,748
Parking	1,257	43	---	1,300	1,212
Show lounge	1,146	---	---	1,146	487
Other	900	76	---	976	537
Corporate other revenue	---	---	560	560	610
	77,492	10,300	560	88,352	71,473
Less:					
Promotional allowances	3,255	168	---	3,423	3,270
Ancillary cost of goods sold	1,993	100	---	2,093	1,805
	5,248	268	---	5,516	5,075
Casino operating expenses	24,992	3,737	---	28,729	22,644
Corporate expenses	---	---	22,094	22,094	17,374
	24,992	3,737	22,094	50,823	40,018
Net income (loss)	$ 47,252	$ 6,295	$ (21,534)	$ 32,013	$ 26,380

8. Expenses by Object

	(in 000's) 2003	2002
Salaries and benefits	$ 20,779	$ 17,278
Marketing, communication and entertainment	6,012	4,363
Utilities, insurance, supplies and maintenance	4,223	3,953
Amortization and asset write down	3,890	3,022
Contractual obligations (Notes 6 a & 6 b)	2,704	2,600
Interest – long-term debt	2,698	2,490
Interest – capital lease obligation and other	667	---
Taxes (Note 9)	3,542	2,303
Professional services	1,194	1,257
Uniforms, recruitment and training	1,252	924
Lease and rental	2,698	785
Other operating expenses	1,164	1,043
Total expenses	$ 30,823	$ 40,018

9. Taxes

SGC is on the prescribed list of lottery corporations pursuant to Section 188 of *The Federal Excise Tax Act*. In lieu of collecting Goods and Services Tax (GST) on revenue at the retail level, SGC calculates and remits GST according to a formula prescribed by Canada Customs and Revenue Agency (CCRA). The formula requires SGC to pay 14% on the purchase of goods and services related to gaming activities.

In 2001/02, SGC engaged a consultant to complete a comprehensive analysis of how GST applies to gaming and non-gaming activities. Based on the allocation methodology recommended by the consultant, SGC submitted a request for GST recovery to CCRA for the period April 1, 1998 to August 31, 2001. Although CCRA has paid SGC the refund requested as a result of the changed allocation methodology, CCRA has not yet agreed to the revised allocation methodology. CCRA is currently conducting an audit of SGC's new allocation methodology. SGC cannot reasonably estimate the outcome of this audit. Accordingly, SGC has not recorded the GST recoveries or the consultant's contingent fee in the consolidated statement of operations. Amounts received in the prior year net of consultant fees have been recorded in accounts payable and accrued liabilities. SGC plans to record the recoveries and consultant fees in the consolidated statement of operations in the year the outcome of CCRA's audit is communicated.

GST and Provincial Sales Tax on leased equipment is expensed over the term of the lease. Also included in taxes are grants in lieu of property tax.

10. Pension Plan

Substantially all of SGC's permanent employees participate in the Capital Pension Plan (the Plan), a defined contribution pension plan administered by the Plan's Board of Directors, using staff and facilities provided by Crown Investments Corporation of Saskatchewan. The amount required to be contributed by employees is 5.5% of salary. SGC's financial obligation is limited to making the employer's required contributions. During the year, SGC expensed $844,130 (2002 - $703,297) for the employer's required contributions.

11. 2003 Budget

These amounts represent the budget approved by the Board of the Saskatchewan Gaming Corporation.

12. Related Party Transactions

These consolidated financial statements include transactions with related parties. SGC is related to all Saskatchewan Crown agencies such as departments, corporations, boards and commissions under the common control of the Government of Saskatchewan. Also, SGC is related to non-Crown agencies that the Government jointly controls or significantly influences.

Routine operating transactions with related parties are recorded at the standard rates charged by those organizations and are settled on normal trade terms. These transactions are as follows:

	(in 000's) 2003	2002
Category:		
Salaries and benefits	$ 1,177	$ 918
Utilities, insurance, supplies and maintenance	1,672	1,026
Restaurant - cost of sales	520	398
Other operating expenses	86	60
Accounts payable and accrued liabilities	116	166

In addition, SGC pays Provincial Sales Tax to the Saskatchewan Department of Finance on all its taxable purchases. Taxes paid are recorded as part of the cost of those purchases. SGC also collects Liquor Consumption Tax and remits to the Saskatchewan Department of Finance.

SGC paid $158,295 (2002 - $21,856,954) to SPMC related to the Casino Regina expansion. SGC included this amount in capital assets.

Other transactions with related parties and amounts due to/from them are described separately in the consolidated financial statements and the notes thereto.

13. Fair Value

Cash and short-term investments, accounts receivable, accounts payable and accrued liabilities, and loan payable are all short-term in nature and as such their carrying value approximates their fair value. Fair value information for other financial instruments is described separately in the consolidated financial statements and the notes thereto.

14. Comparative Figures

Certain prior year balances have been reclassified to conform with the current year's financial statement presentation.

CASINOS
Regina & Moose Jaw
Casino Regina
Casino Moose Jaw

DIO3.23

Saskatchewan Gaming Corporation
Supplementary Financial Information 2002-2003
Suppliers expenses Over $10,000 (Net of GST)
Saskatchewan Suppliers Only
In Numerical Order
For the period ending March 31, 2003

REGINA EXHIBITION ASSOC LTD	2,601,000	MERIT PRINTING LTD	33,207
PHOENIX ADVERTISING GROUP	2,512,081	GEANEL RESTAURANT SUPPLIES LTD	31,579
CITY OF REGINA	1,594,519	BAZAAR & NOVELTY	30,784
GRAHAM CONSTRUCTION	1,363,571	REGINA PATS HOCKEY CLUB	30,775
FANTASTIC CLEANING	1,041,242	PACIFIC FRESH FISH LTD	30,040
TECHNOLOGY MANAGEMENT CORP	820,185	GRAND & TOY	29,000
CAPITAL PENSION & BENEFITS ADM	746,218	JIMBOB BOYCHUK & SONS EXC	28,780
SASK POWER CORP	713,564	PROMETAL INDUSTRIES LTD	24,724
HARVARD/TGMS DEV CORP	611,897	DAVEY PLASTICS INC	24,630
WALLACE & CAREY LTD	454,896	STAR EGG	24,019
SASK WORKERS COMPENSATION BD	367,321	MINDS EYE INTERACTIVE	23,935
BREWERS DISTRIBUTORS LTD	341,799	REGINA DOWNTOWN	23,763
SASK TEL	302,398	ENVIROTECH 1991 INC	23,387
SASK PROPERTY MANAGEMENT CORP	294,020	INNOVA ENVELOPE INC	22,242
CENTENNIAL FOODS REGINA	286,763	PINNACLE DISTRIBUTORS INC	22,037
SUN ELECTRIC (1975) LTD	264,897	DATA BUSINESS FORMS	21,834
SASK LIQUOR & GAMING AUTHORITY	239,928	PROFESSIONAL WESTERN COMPUTERS	21,704
SASK ENERGY	224,725	TECHTRONICS COMPUTER CANADA INC	21,333
GABER, BARRY	197,132	SASK GOVERNMENT INSURANCE	20,594
CLASSIC GLAMORISING	197,029	TOURISM SASK	20,535
MOOSE JAW EXHIBITION CO LTD	191,379	KLUMPP & SON CABINETS LTD	19,928
SYSCO SERCA FOOD SERVICES	183,866	RUGGIERI LIGHTING & SOUND	19,908
GLOBE THEATRE	168,888	SCHELL, WARD	19,653
TEMPLE GARDENS	150,991	REGINA EXHIBITION PARK	19,533
FIRST CHOICE FOODSERVICES LTD	147,667	AUDIOWORKS PRODUCTION SERVICES	19,080
PRINTWEST	128,467	SECURITY KEY & LOCK SERVICE	18,700
HARVARD DEVELOPMENTS INC	124,907	HONEYWELL LIMITED	18,691
AON REED STENHOUSE INC	122,607	RIFFEL, CHRIS	18,500
GREENE VALLEY CONCESSIONS	116,290	CITY OF MOOSE JAW	18,500
CLEAN-BRITE RMT HOLDINGS LTD	107,760	S & S TECHNICAL SERVICES	18,225
HOUGHTON BOSTON PRINTERS	101,714	SASK ROUGHRIDER FOOTBALL CLUB	18,090
TOURISM REGINA	89,525	BUSINESS MACHINE REBUILDERS LTD	17,042
CANADIAN LINEN & UNIFORM	87,560	HI-COUNTRY CANADA	16,855
INDEPENDENT'S CHOICE DISTRIBUTORS	87,389	RITE WAY CLEANING SERVICES LTD	16,488
CADILLAC FAIRVIEW CORP LIMITED	85,770	PLS SIGN & GRAPHIC	16,363
MINISTER OF FINANCE E & H TAX	76,193	MINISTER OF FINANCE SOCIAL SERVICES	15,438
NITE PROMOTIONS	70,385	REGINA PALLIATIVE CARE INC	15,433
SASK CENTRE OF THE ARTS	64,062	DIGNEY PHOTOGRAPHICS LTD	15,387
SASK INDIAN FEDERATED COLLEGE	63,875	A & B SOUND	14,861
KANUKA THURINGER	60,696	ARCH TRANSCO LTD	14,530
FAST CONSULTING	58,340	ATHOL MURRAY COLLEGE	14,501
BENNETT-DUNLOP FORD SALES LTD	54,456	EXPRESS IT	14,369
MACPHERSON, LESLIE & TYERMAN	49,099	ALLEN, RORY	14,328
MURRAY CHEV	47,500	EVENTS EDGE ENTERTAINMENT	14,117
MINISTER OF FINANCE DEPT OF ENVIRON	46,904	CUSTOM WATER LTD	12,899
SASK TEL MOBILITY	46,352	PC PLACE	12,866
HARLAN FAIRBANKS	41,783	GREF'S DELIVERY (1979) LTD	12,584
BRENNAN OFFICE PLUS	41,202	DOMINION CONSTRUCTION CO INC	12,567
CUBBON ADVERTISING	41,051	HOWELL, SHARON	11,281
WBM OFFICE SYSTEMS	39,848	LORAAS DISPOSAL SERVICES LTD	11,075
G V AUDIO INC	37,923	ADVENTURE PRINTING LTD	10,965
DECISION RESEARCH INC	35,928	VAN KOEVERDEN, JOE	10,600
PAR CONSULTANTS OF CANADA LTD	35,610	CUSTOM HARDWARE DISTRIBUTORS	10,519
SASK TOURISM AUTHORITY	34,667		
DELTA REGINA HOTEL	34,012		19,072,627

Saskatchewan Gaming Corporation
Supplementary Financial Information
Suppliers expenses over $20,000
(Net of GST) 2002-03
For the period ending March 31, 2003

AIR CANADA	31,763	MEZZALUNA DESIGNS INC	245,650
ALL ACES TOUR	44,225	MGE UPS SYSTEMS CANADA	58,408
AON REED STENHOUSE INC	122,607	MIKOHN GAMING CORP	110,550
APA INC	24,120	MINDS EYE INTERACTIVE	23,935
ARISTOCRAT TECHNOLOGIES INC	142,292	MINISTER OF FINANCE DEPT OF ENVIRON	46,904
BAZAAR & NOVELTY	30,784	MINISTER OF FINANCE E & H TAX	76,193
BREAK AWAY TOURS	29,439	MOOSE JAW EXHIBITION CO LTD	191,379
BRENNAN OFFICE PLUS	41,202	NITE PROMOTIONS	70,385
BREWERS DISTRIBUTORS LTD	341,799	PACIFIC FRESH FISH LTD	30,040
CADILLAC FAIRVIEW CORP LIMITED	85,770	PAQUIN ENTERTAINMENT AGENCY	42,642
CANADIAN LINEN & UNIFORM	87,560	PAR CONSULTANTS OF CANADA LTD	35,610
CAPITAL PENSION & BENEFITS ADM	844,130	PEPSI BOTTLING GROUP (CANADA)	124,829
CARDINAL TRAVEL TOURS INC	32,130	PHOENIX ADVERTISING GROUP	2,512,081
CAREFREE GETAWAYS	155,285	PINNACLE DISTRIBUTORS INC	22,037
CENTENNIAL FOODS REGINA	286,763	PRINTWEST	128,467
CHIPCO INTERNATIONAL	27,680	PROFESSIONAL WESTERN COMPUTERS	21,704
CHUBB LOCK & SAFE	23,748	PROMETAL INDUSTRIES LTD	24,724
CITY OF REGINA	1,594,519	RECEIVER GENERAL	2,072,139
CLASSIC GLAMORISING	197,029	REGINA DOWNTOWN	23,763
CLEAN-BRITE RMT HOLDINGS LTD	107,760	REGINA EXHIBITION ASSOC LTD	2,601,000
COGNOS INCORPORATED	23,067	REGINA PATS HOCKEY CLUB	30,775
COUGHLIN & ASSOCIATES LTD	48,570	ROGER WILLIAMS MINT	66,837
CUBBON ADVERTISING	41,051	ROYAL FLUSH GAMING LTD	33,066
DATA BUSINESS FORMS	21,834	SASK CENTRE OF THE ARTS	64,062
DAVEY PLASTICS INC	24,630	SASK ENERGY	224,725
DECISION RESEARCH INC	35,928	SASK GOVERNMENT INSURANCE	20,594
DELTA REGINA HOTEL	34,012	SASK INDIAN FEDERATED COLLEGE	63,875
ECOLAB LTD	68,876	SASK LIQUOR & GAMING AUTHORITY	239,928
EMBASSY TOURS	38,710	SASK POWER CORP	713,564
ENVIROTECH 1991 INC	23,387	SASK PROPERTY MANAGEMENT CORP	294,020
FANTASTIC CLEANING	1,041,242	SASK TEL	302,398
FAST CONSULTING	58,340	SASK TEL MOBILITY	46,352
FIRST CHOICE FOODSERVICES LTD	147,667	SASK TOURISM AUTHORITY	34,667
G V AUDIO INC	37,923	SASK WORKERS COMPENSATION BD	367,321
GABER, BARRY	197,132	SECURICOR CASH SERVICES	20,591
GEANEL RESTAURANT SUPPLIES LTD	31,579	SHUFFLE MASTER INC	119,127
GLOBE THEATRE	168,888	SOCAN	26,427
GRAHAM CONSTRUCTION	1,363,571	SOLID INFORMATION TECHNOLOGIES	23,040
GRAND & TOY	29,000	STAR EGG	24,019
GREAT WEST LIFE ASSURANCE CO	605,103	SUN ELECTRIC (1975) LTD	264,897
GREENE VALLEY CONCESSIONS	116,290	SYSCO SERCA FOOD SERVICES	183,866
HARLAN FAIRBANKS	41,783	TECHNOLOGY MANAGEMENT CORP	820,185
HARVARD DEVELOPMENTS INC	124,907	TECHTRONICS COMPUTER CANADA INC	21,333
HARVARD/TGMS DEV CORP	611,897	TEMPLE GARDENS	150,991
HIGH LINE CORPORATION	20,435	TOURISM REGINA	89,525
HOLLAND CASINOS	341,093	TOURISM SASK	20,535
HOUGHTON BOSTON PRINTERS	101,714	TRAFCO (CANADA)	22,447
INDEPENDENT'S CHOICE DISTRIBUTORS	87,389	TRIPLE 7 TOURS	25,315
INNOVA ENVELOPE INC	22,242	UNIDESA USA INC	23,590
INTERCAS SERVICES LIMITED	55,404	UNISOURCE CANADA INC	57,312
INTERNATIONAL GAME TECHNOLOGY	567,200	WALLACE & CAREY LTD	454,896
INTERNATIONAL PLAYING CARD	33,877	WBM OFFICE SYSTEMS	39,848
JENODE TOURS	56,767	WEAVERCRAFT DISTRIBUTORS INC	66,832
JIMBOB BOYCHUK & SONS EXC	28,780	WESTON BAKERIES LTD	32,701
JOHN HUXLEY (CASINO EQUIPMENT)	32,046	WILLIAM MORRIS AGENCY	20,642
KANUKA THURINGER	60,696		
KEY ENTERTAINMENT GROUP	26,500		
MACPHERSON, LESLIE & TYERMAN	49,099		24,175,183
MERIT PRINTING LTD	33,207		

Saskatchewan Gaming Corporation
Supplementary Financial Information
Personal Services
For the period ending March 31, 2003
Listed are individuals, excluding unionized employees, who received payments for salaries, wages, secondments, honorariums, etc. which total $2,500 or more

Name	Payment Amount	Name	Payment Amount
Abel, Kristen	47,848	Lajoure, Lesle	34,558
Abuan, Rita	8,383	Laroque, Gregory	56,939
Acoose, Trevor	52,827	Lekien, Natalie	27,470
Adams, Ron	68,240	Lerat, Fayth	37,525
Affie, Dwayne	59,496	Locke, Theresa	47,020
Anaquod, Gwendy	33,897	Love, Neil	56,467
Apperley, Terri	27,875	MacRae, Stuart	57,224
Arlint, Robert	47,473	Maelde, Guido	59,757
Barss, Shannon	38,127	Manz, Sherry	40,198
Bauer, Lisa	5,921	Mario, Carmela	43,562
Bellegarde, Monica	12,190	Mason, Diane	25,933
Bellegarde, Raymond	10,695	McMillan, Deanne	5,286
Bellegarde, Walter	35,707	Measner, Douglas	31,214
Bellinger, Keith	40,998	Meredith, Twyla	109,652
Bittemose, Ken	61,218	Milliken-Smith, Craig	34,462
Blazic, Brent	32,260	Minvielle, Jason	37,525
Brass, Howard	24,170	Mokry, Janice	38,058
Brimble, Sheila	33,389	Montanini, Debra	66,225
Brown, Travis	38,234	Murray, Debra	58,696
Burns, Sarah	33,471	Murray, Gordon	54,622
Caldwell, Victoria	47,955	Nyhagen, Tracey	3,682
Cardinal, Robert	53,777	Olafson, Peggy	24,229
Carsten, Les	50,433	Olson, Mavis	14,495
Carver, Arnold	35,090	Parisian, Richard	57,403
Casper, Doug	86,782	Pascal, Tracey	48,250
Caughlin, Bruce	36,841	Pearson, Edward	49,894
Chan, Heidi	37,407	Pelletier, Charles	14,937
Cloutier, Les	69,115	Pelletier, Matthew	39,352
Collum, Kenneth	65,392	Pelletier, Robert	64,114
Cooper, George	36,074	Petit-Homme, Carlos	36,556
Cote, Brenda	82,168	Pisio, Angela	55,632
Cozman, John	38,284	Poitras, Lola	39,638
Croteau, Leah	25,120	Pratt, Jason W	47,684
Crowe, Robert	32,500	Price, Lynda	39,635
Currie, Charles	36,857	Quennell, Leslie	30,900
Cyr, Delvina	28,270	Read, Gregory	37,804
Daradich, Elliott	69,793	Reavie, Bardy	54,110
Davies, William	83,121	Robertson, Carolyne	52,122
Delwo, Stacy	38,543	Robison, Blair	45,780
Dreger, Charlene	31,741	Roe, Angela	31,601
Dreger, Ken	44,421	Roenspiess, Charlene	31,469
Dressler, Maxwell	106,576	Sawicki, Kevin	56,914
Dureau, Greg	70,898	Schaffer, Conne	26,777
Eggleston, Darcy	50,058	Schmidt, Kelly	55,197
Elliott, Lani	27,179	Schwabe, Clair	37,444
Engel, Gailen	54,924	Sebastian, Joyce	23,343
Erickson, Rita	67,794	Severight, Mona	23,122
Ermel, Delia	70,284	Shoulak, Elma	96,911
Ermel, Ralph	34,182	Sinclair, Phyllis	26,488
Fahlman, Lillian	26,139	Slopinski, Sandra	36,678
Favel, Clifton	11,431	Smith, Robert	47,046
Ferguson, Dallas	69,448	Sparvier, Marie	17,069
Ferguson, Rosalind	21,291	Spence, Holly	60,557
Fischer, Gerald	109,787	St. Pierre, Darrell	19,810
Foraie, Denise	38,257	Sterzer, Alphonse	49,493
Fuentes, Marco	8,813	Stewart, Tracy	51,517
Gartner, Rosanne	43,912	Taylor, David	31,364
Guay, Joanne	38,725	Taylor, Robert	8,544
Hackywicz, Carol	32,508	Taypotat, Wendy	35,595
Hanoski, Cindy	42,519	Toop, Wendy	48,956
Healey, Virginia	4,673	Turcotte, Andy	50,397
Horatchka, Mervin	3,555	Turcotte, Paulette	32,339
Howell, Sharon	37,407	Tysowski, Jerry	35,493
Howie, Jane	55,718	Uhl, Gene	49,492
Huggatt, Barbara	5,603	van Hallem, Pauline	44,781
Hutchison, Wendy	75,848	van Koeverden, Joe	139,991
Jackson, Rhonda	34,524	Ward, Keith	43,163
James, Conrad	26,268	Weber, Karen	20,870
Jones, Ron	58,641	Weist, Faye	56,301
Katchuk, Ryan	37,541	Windrum, Charmaine	34,558
Kennedy, Ivy	52,457	Wolfe, Lesley	31,830
Khan, Jeff	46,600	Wurm, Dean	40,484
Kim, Susan	58,696	Yee, Jada	32,333
Kohl, Margaret	36,930	Zaremba, William	26,564
Kruszelnicki, Darryl	4,939		6,426,100
Kucher, Tara	47,934	Ministerial Ass't Salaries	14,262
Lafond, Darwin	38,839		

Saskatchewan Gaming Corporation Holdings	
Supplementary Financial Information 2002-2003	
Capital Asset Purchases over $20,000 (Net of GST)	
In Alphabetical Order	
For the period ending March 31, 2003	
Supplier	**Amount**
4 DIRECTIONS OFFICE FURNITURE	27,302
ARC-COM FABRICS INC	21,160
ARISTOCRAT INCORPORATED	1,306,207
AVANTI OFFICE PRODUCTS	68,788
BALLY GAMING STSTEM	614,614
BARON DRAFT SERVICES	26,927
BRENNAN OFFICE PLUS	58,626
CUMMINS-ALLISON INC	21,066
CUSTOM HARDWARE DISTRIBUTOR	32,700
DENSON COMMERCIAL FOOD	108,080
FRISCO BAY	140,895
GEANEL RESTAURANT SUPPLIES LTD	35,279
GV AUDIO INC	28,372
HI-TECH GAMING LTD	3,298,635
HOLLAND CASINO	219,099
HONEYWELL LIMITED	163,126
INFODEV ELECTRONIC DESIGNERS	20,594
IVIEW SYSTEMS	31,803
KAOS SOLUTIONS	59,648
KLUMPP & SON CABINETS LTD	93,702
MICROS SYSTEMS INC	26,116
MIKOHN GAMING CORP	251,188
MINISTER OF FINANCE	323,191
NUMBER TEN ARCHITECTURAL GROUP	54,232
PATTISON SIGN GROUP	91,215
PCL - MAXAM	66,859
PRAIRIE SIGN	25,299
PROFESSIONAL WESTERN COMPUTER	210,298
REINHARDT PLUMBING, HEATING	22,995
ROYAL FLUSH GAMING LTD	1,103,272
RUGGIERI LIGHT & SOUND	44,658
SASK PROPERTY MANAGEMENT CORP	158,295
SIMPLEX GRINNELL	175,367
STREAM DATA SYSTEMS LTD	36,706
SUN ELECTRIC (1975) LTD	39,281
TRAFCO CANADA	29,965
TTL COMPUTER CONCEPTS	50,767
WEAVERCRAFT US AXMINSTER	189,704
WESTRIDGE CONSTRUCTION LTD	224,280
	9,500,311